Addendum 1 OHB08-2

Issued February 14, 2008

Accretive Care Proposal to Commonwealth of Virginia Prospective Vendor Ouestion Response

General

Regarding inquiries on proposal structure, the Accretive Care PPEA is a conceptual proposal on managing the future of health care from the large employee health benefit program perspective. The current phase of the PPEA process offers the marketplace an opportunity to submit a competing proposal.

The Commonwealth is very interested in the conceptual vision and framework of major care management service providers, and the strategies of providers of the comprehensive health care management component services inherent in the Accretive conceptual proposal.

The structure of the Accretive proposal flows from its vision, and includes sections on qualifications and experience, project characteristics, financing, and benefits to the Commonwealth. Accordingly a competing offeror has the freedom to state its visionary concept, and have its proposal flow from it. The Accretive proposal can be used as a structural guide for order and specificity, but that is not mandatory.

After proposals are received and reviewed, the Commonwealth will make a decision on how to proceed. If it is determined it is in the Commonwealth's best interest to continue examining the feasibility of the concept, a second analysis phase will occur. At that point, qualified offerors will be given an opportunity to respond to uniform specifications requiring detailed information.

Questions

1. A number of questions have been asked about this PPEA's relationship to the DHRM health benefit program services procurement planned later in 2008.

This PPEA process is not to be confused with the benefit administration and care management services procurement scheduled for mid-year. The outcome of the PPEA process may impact the structure and nature of that project, which will be addressed in a comprehensive manner by the resulting RFP specifications. We would welcome responses to this PPEA by organizations that also provide the upcoming RFP services.